TENNESSEE REGULATORY AUTHORITY

Sara Kyle, Chairman Deborah Taylor Tate, Director Pat Miller, Director Ron Jones, Director



DOCKET ROOM

460 James Robertson Parkway Nashville, Tennessee 37243-0505

July 29, 2002

Mr. Bill R. Morris Piedmont Natural Gas Company P.O. Box 33068 Charlotte, NC 28233

Re:

Nashville Gas Company ACA Filing - Docket No. 02-00361

Dear Bill:

The six month deadline for the completion and approval of the Staff's audit of Nashville Gas Company's ACA filing is October 2, 2002. Current procedures at the TRA require that the audit report be placed on the Authority conference agenda for the Directors' approval prior to the deadline. That effectively moves the completion date to September 9 in order for the docket to be placed on the September 23 agenda.

The PGA rule provides for an extension of the 180-day notification by mutual consent of both the Company and the TRA Staff. In order to allow sufficient time for the Staff to complete its data inquiries from the Company and the Company to respond, I would propose that the deadline be extended to October 22, 2002, the second Authority Conference in October.

It is my understanding the Company will not have a problem with the extension, as long as the audit is finalized prior to the Company's fiscal year-end October 31, 2002. If this is not correct, please notify me immediately. Staff will make every effort to complete the remainder of the audit well before the extension date. If you have any additional questions regarding this request, please let me know.

Sincerely,

Pat Meuply Pat Murphy

Senior Financial Analyst Energy and Water Division

C:

Sara Kyle, Chairman Dan McCormac

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